



General Assembly

February Session, 2006

Raised Bill No. 5679

LCO No. 2539

02539_____GL_

Referred to Committee on General Law

Introduced by:
(GL)

AN ACT CONCERNING DEPLETION ALLOWANCES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 30-94 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2006*):

3 (a) No permittee or group of permittees licensed under the
4 provisions of this chapter, in any transaction with another permittee or
5 group of permittees, shall directly or indirectly offer, furnish or receive
6 any free goods, gratuities, gifts, prizes, coupons, premiums,
7 combination items, quantity prices, cash returns, loans, discounts,
8 guarantees, special prices or other inducements in connection with the
9 sale of alcoholic beverages or liquors. No such permittee shall require
10 any purchaser to accept additional alcoholic liquors in order to make a
11 purchase of any other alcoholic liquor.

12 (b) Notwithstanding the provisions of subsection (a) of this section
13 and subsection (b) of section 30-63, as amended, a holder of a
14 manufacturer permit issued under subsection (a) of section 30-16, as
15 amended, [or] an out-of-state shipper's permit for alcoholic liquor
16 other than beer issued under section 30-18, as amended, or an out-of-

17 state shipper's permit for beer issued under section 30-19, may offer
 18 and provide to a holder of a wholesaler permit issued under
 19 subsection (a) of section 30-17 a floor stock allowance or a depletion
 20 allowance, or both, with the prior approval of the department. Such
 21 allowances shall be offered and provided on a nondiscriminatory basis
 22 to all such wholesaler permittees authorized to distribute the products
 23 of any such manufacturer or out-of-state shipper permittee in
 24 accordance with such requirements as the department may prescribe
 25 by regulation adopted under chapter 54, provided (1) no such
 26 manufacturer or out-of-state shipper permittee may require any such
 27 wholesaler permittee to participate in any program providing such
 28 allowances, and (2) the rate or percentage used to calculate any such
 29 allowance may not vary based on the quantity of alcoholic liquor other
 30 than beer that is sold. As used in this subsection, "floor stock
 31 allowance" means any rebate, discount or other inducement that is
 32 given to a wholesaler permittee to be used for the sales promotion or
 33 the destruction of any alcoholic liquor other than beer that is stored in
 34 the wholesaler permittee's warehouse or other storage facilities at the
 35 time such rebate, discount or other inducement is given, and
 36 "depletion allowance" means any rebate, discount or other inducement
 37 used for the sales promotion of any alcoholic liquor other than beer
 38 that is given to a wholesaler permittee based on the amount of such
 39 alcoholic liquor subject to such promotion that is sold at wholesale by
 40 the wholesaler permittee.

This act shall take effect as follows and shall amend the following sections:		
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Section 1	<i>October 1, 2006</i>	30-94
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Statement of Purpose:

To allow the holder of an out-of-state shipper's permit for beer issued under section 30-19 of the general statutes to offer and provide to a holder of a wholesaler permit issued under subsection (a) of section 30-17 of the general statutes a floor stock allowance or a depletion

allowance, or both, with the prior approval of the Department of Consumer Protection.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]